

106TH CONGRESS
2D SESSION

S. 3050

To amend title XVIII of the Social Security Act to make improvements to the prospective payment system for skilled nursing facility services.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 14, 2000

Mr. HATCH (for himself and Mr. DOMENICI) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to make improvements to the prospective payment system for skilled nursing facility services.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Skilled Nursing Facil-
5 ity Care Act of 2000”.

6 **SEC. 2. REVISION TO THE SKILLED NURSING FACILITY** 7 **(SNF) MARKET BASKET UPDATE FOR FISCAL** 8 **YEARS 2001 AND 2002.**

9 (a) REVISION.—Section 1888(e)(4)(E)(ii)(II) of the
10 Social Security Act (42 U.S.C. 1395yy(e)(4)(E)(ii)(II)) is

1 amended by striking “minus 1 percentage point” and in-
 2 serting “plus 4 percentage points”.

3 (b) SPECIAL RULE FOR PAYMENT FOR SKILLED
 4 NURSING FACILITY SERVICES FOR FISCAL YEAR 2001.—
 5 Notwithstanding the amendment made by subsection (a),
 6 for purposes of making payments for covered skilled nurs-
 7 ing facility services under section 1888(e) of the Social
 8 Security Act (42 U.S.C. 1395yy(e)) for fiscal year 2001,
 9 the Federal per diem rate referred to in paragraph
 10 (4)(E)(ii) of such section—

11 (1) for the period beginning on October 1,
 12 2000, and ending on March 31, 2001, shall be the
 13 rate determined in accordance with subclause (II) of
 14 such paragraph as in effect on the day before the
 15 date of enactment of this Act; and

16 (2) for the period beginning on April 1, 2001,
 17 and ending on September 30, 2001, shall be the rate
 18 computed for fiscal year 2000 pursuant to subclause
 19 (I) of such paragraph increased by the skilled nurs-
 20 ing facility market basket percentage change for fis-
 21 cal year 2001 plus 9 percentage points.

22 **SEC. 3. REEXAMINATION OF, AND AUTHORITY TO REVISE,**
 23 **THE SKILLED NURSING FACILITY MARKET**
 24 **BASKET PERCENTAGE INCREASE.**

25 (a) REEXAMINATION.—

1 (1) IN GENERAL.—The Secretary of Health and
2 Human Services shall reexamine the skilled nursing
3 facility market basket percentage (as defined in
4 paragraph (5)(B) of section 1888(e) of the Social
5 Security Act (42 U.S.C. 1395yy(e)) that was used in
6 making the update to the first fiscal year under
7 paragraph (4)(B) of such section under the prospec-
8 tive payment system for skilled nursing facility serv-
9 ices.

10 (2) SPECIFIC ELEMENTS.—In conducting the
11 reexamination under paragraph (1), the Secretary of
12 Health and Human Services shall account for costs
13 based on actual data and actual medicare skilled
14 nursing facility cost increases.

15 (b) AUTHORITY.—Notwithstanding any other provi-
16 sion of law, the Secretary of Health and Human Services
17 shall make adjustments to payments under the prospective
18 payment system under section 1888(e) of the Social Secu-
19 rity Act (42 U.S.C. 1395yy(e)) for covered skilled nursing
20 facility services furnished in fiscal year 2002 to reflect any
21 necessary adjustments to such payments as is appropriate
22 as a result of the reexamination conducted under sub-
23 section (a).

24 (c) PUBLICATION.—

1 (1) IN GENERAL.—Not later than April 1,
2 2001, the Secretary of Health and Human Services
3 shall publish for public comment a description of—

4 (A) whether the Secretary will make any
5 adjustments pursuant to this section; and

6 (B) if so, the form of such adjustments.

7 (2) FINAL FORM.—Not later than August 1,
8 2001, the Secretary of Health and Human Services
9 shall publish the description described in paragraph
10 (1) in final form.

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